

**POLICY FOR
DISPOSITION OF COUNTY OWNED
TAX DEED PROPERTIES**

STATEMENT OF INTENT:

It shall be the policy of the Polk County Board of Supervisors to promote the production of affordable housing and the residential and commercial revitalization of neighborhoods by making available Tax Deed and excess properties owned by the County. The release of County owned properties shall be in accordance with this policy. The Board of Supervisors may make exceptions or modifications to this policy as deemed appropriate.

IMPLEMENTATION:

TAX DEED PARCELS

County owned Tax Deed properties shall be disposed of by proposal in accordance with Iowa Code--Chapter 569.8 and 331.36. Properties, which are likely to be in demand, will be sold to the highest bidder. Other properties may be conveyed without competitive bidding. All parcels will be conveyed by Quit Claim Deed.

A. PARCEL LIST

1. The Department of Public Works, Housing Services Division, shall propose a list of parcels for disposal at public auction on an annual basis.
2. The list will include parcels that are requested to be offered at auction and selected parcels from the inventory. All parcels will have at minimum 50-foot frontages and be buildable, unless otherwise noted, or are recognized "lots of record".
3. Polk County municipalities, public utilities, and private, not for profit housing organizations may review the parcel list and request "first right of acquisition" for public purposes. They shall provide written evidence of the intended purpose and include a time line for use. The Board of Supervisors, in its sole discretion, will determine if the proposed use is a public purpose. The Board of Supervisors may establish terms or conditions of transfer as deemed appropriate to protect the public purpose.
4. When the State or Federal governments request Tax Deed parcels for a public purpose, the same requirements and benefits as those for a municipality will apply.

5. All parcels requested by municipalities, other government agencies and utilities will not be Land Banked, but will be transferred upon approval by the Board of Supervisors. Parcels that are to be used for a public purpose, as determined by the Board of Supervisors, will be sold for the lesser of the minimum competitive prices established for the current fiscal year. Parcels not to be used for a public purpose may be acquired for the fair market value.
6. Only private not-for-profit housing organizations may request that one or more parcels be held in Land Bank. Parcels will be held for up to 24 months from the time the request is granted. Requests must be in writing and include the same information required for the “first right of acquisition” and the estimated time frame before acquisition can be completed. The Land Bank List will be reviewed quarterly and reserved parcels on the list after the 24-month expiration will be removed and offered at the next auction.
7. Properties not otherwise reserved will be included in the auction. Such properties shall be advertised in the Real Estate Section of the Classified Advertisements of the Des Moines Register not less than four (4) days or more than twenty (20) days prior to the Public Auction.

B. VACANT PARCELS SOLD TO THE HIGHEST BIDDER

Individuals, firms or corporations shall have the opportunity at auction to acquire parcels on a competitive basis. No parcel will be sold for less than the minimum bid price established. If the minimum bid price is not offered the parcel will be withdrawn from the auction.

Minimum bids will be established by the Board of Supervisors on an annual basis and included as part of the Department of Public Works information on the County’s web site. Minimum bid amounts will be published as part of the public advertisement for County Tax Sale Auctions. It shall be the intent of the County to recover legal and transfer fees.

C. VACANT PARCELS SOLD WITHOUT COMPETITIVE BIDDING

1. The County shall determine the fair market value of any parcel to be sold without competitive bidding.
2. An individual, firm, or corporation may acquire vacant parcels without competitive bidding by offering in writing to pay at least the fair market value of the property. If appropriate, the County will complete an appraisal of the fair market value.

3. Not for profit housing organizations may acquire vacant properties without competitive bidding by submitting in writing to the Housing Services Division an offer for at least the minimum bid price established for that Fiscal Year. The offer shall provide proof that the intended use of the vacant parcel(s) conforms to all established City or Neighborhood Plans or codes.

D. VACANT SIDE LOT BY PROPOSAL

Whenever there is a County owned parcel with less than fifty (50) foot of frontage it will be available for sale only to the adjacent property owners which share the same street frontage as the County owned parcel, provided the following conditions and procedures are met:

1. A written invitation for proposal is delivered to all qualified proposers.
2. Only the titleholders of structures which abut the property on the same street frontage as the County owned property are qualified proposers.
3. Within the 30 calendar days of the written invitation a qualified proposer either refuses the property in writing or accepts the property by submitting a written proposal to the Housing Services Division in the amount of **\$500.00**. A separate check for \$16.00 written to the Polk County Recorder is required for the cost of recording the Quit Claim Deed. No response from a qualified proposer within 30 days is a refusal to propose to purchase the property.
4. If two qualified proposers desire the property and the property can be split without platting, the County shall either divide the parcels into two pieces of equal area, or the County shall accept the mutually agreed upon division of the property into two pieces as suggested by the qualified proposers.
5. When both adjacent proposers declare an interest in purchasing a part of all of the County-owned parcel, and, one of them owns a parcel which has less than the minimum lot frontage required by community regulations, preference will be given to that title holder that needs to add frontage to meet the community requirements.
6. The qualified proposers shall pay the cost in any case where the property must be platted to perform the split.
7. If one or more of the qualified proposers reject the property or fail to submit a written proposal within the 30-day time frame, then the remaining qualified proposer(s) shall be eligible to divide the property amongst themselves.

8. In no case, where the property is being split shall any of the parcel remain in Polk County's name.
9. The Quit Claim Deed shall be drafted so that the parcel being deeded can be combined with the successful proposer's property as one taxable parcel. If the parcels cannot be combined because they are in different plats, one parcel will be assessed with the other for taxing purposes.
10. If qualified proposer(s) contest the terms or conditions of transfer as outlined in this policy, the property may be taken to the next public auction and sold as one parcel to the highest bidder.

E. VACANT ADJOINING AND LAND LOCKED PARCELS BY PROPOSAL

Vacant adjoining and landlocked parcels are available and for sale only to titleholders who abut the property. Adjoining parcels share common boundaries but not the same street face. Land locked parcels share common boundaries but have no street frontage.

1. A written invitation for proposal is delivered to all qualified proposers.
2. Within 30 calendar days of the written invitation a qualified proposer either refuses the property in writing or accepts the property by submitting a written proposal to the Housing Services Division along with a check written to the Polk County Treasurer in the amount of **\$500.00**. A separate check for \$16.00 written to the Polk County Recorder is required for the cost of recording the Quit Claim Deed. No response from a qualified proposer within 30 days is a refusal to propose to purchase the property.
3. If two qualified proposers desire the property and the property can be split without platting, the County shall either divide the parcel into two pieces of equal area, or the County shall accept a mutually agreed upon division of the property into two pieces as suggested by the qualified buyers.
4. The qualified proposers shall pay the cost in any case where the property must be platted to perform a split.
5. If one or more of the qualified proposers reject the property or fail to submit a proposal within the stated time frame, then the remaining qualified proposer(s) shall be eligible to divide the property amongst them.
6. In no case, where the property is being split shall any of the parcels remain in Polk County's name.

7. The Quit Claim Deed shall be drafted so that the parcel being deeded can be combined with the successful qualified proposer's property as one taxable property. If the parcels cannot be combined because they are in different plats one parcel will be assessed with the other for taxing purposes.
8. If one of the qualified proposers contests the terms or conditions of the transfer as outlined in this policy, the property shall be taken to the next public auction and sold as one parcel to the highest bidder.
10. Whenever, an initial or resultant parcel is less than 1,000 square feet, or is encumbered by easement, or is subject to adverse usage, a purchase price of less than \$500.00, but in no case less than the Cost Complete, may be negotiated.

Comment: Cost Complete is the cost to the County to go to Deed and may include: title search, publication costs; cost of survey, if any; and, cost of recordation. This may be less than \$500.00.

F. PARCELS WITH UNSOUND STRUCTURES

Structures on parcels that the County determines are structurally unsound and that cannot be cost effectively rehabilitated, will be demolished and the parcel offered as a vacant parcel.

G. PARCELS WITH HABITABLE STRUCTURES BY PROPOSAL

Parcels with structures which are determined by a qualified inspector to be habitable and meet applicable City or County Codes for owner-occupied or rental dwellings will be sold by competitive bid only. An open invitation for bids will be sought through public advertising. The lowest acceptable bid price above the appraised value will be determined and advertised following an appraisal of the property and structure. The successful bidder will be required to provide proof of financing and take occupancy within 60 days from the date the offer is approved.

H. PARCELS WITH INHABITABLE STRUCTURES

If it has been determined that a parcel with a structure is not habitable, but can be rehabilitated for occupancy, The Housing Services Division will offer the parcel for the minimum established bid price for that year by issuing written invitations to all qualified proposers. Qualified proposers include not for profit housing organizations and for profit developers who will rehabilitate vacant and deteriorated structures to be reused for affordable or market rate housing. If the intended purpose is to sell the property at a market rate price the qualified proposer will be required to include support from the approved neighborhood or community planning organization.

1. All proposals for an individual property with a structure will be evaluated based on the proposer's capacity to complete the project within 18-24 months, including financial support for the project, how the project complies with the established neighborhood goals for housing and compliance with city and county plans for rehabilitation of property.
2. An evaluation team comprised of County and City staff, if the parcel is located within a Polk County municipality, will review the proposals, conduct interviews, and make a recommendation to approve the project that most closely meets the requirements.
3. Once a successful proposer is selected, the Public Works Department will make a recommendation for approval to the Board of Supervisors and follow all applicable laws regarding the conveyance of County owned property under Iowa Administrative Code.

SALE OF EXCESS COUNTY PROPERTY

The County may dispose of an interest in non-tax deed real estate after the Board of Supervisors has, by Resolution, determined that the subject real estate is excess property.

A. EXCESS DETERMINATION

A determination that real estate is excess property shall be made according to the following procedure:

1. A person, corporation, municipality, state or federal agency shall submit a written request to the Board of Supervisors that county-owned real estate be considered excess property.
2. Such request will be referred to the Department of Public Works and County Attorney for a recommendation.
3. Public Works will obtain at least one appraisal from a qualified firm, who shall consider the value of the real estate in its existing state, and shall determine a value for its highest and best use. If required, a plat of survey will be completed.
4. If the property is located in a potentially contaminated area, and no clearance report is available, testing will be completed. If found to be contaminated, additional cleanup procedures may be followed prior to proceeding with any further recommendations.

B. DISPOSITION OF EXCESS PROPERTY

Public Works will prepare a recommendation to the Board of Supervisors setting forth a method of disposal such as auction, proposal, or lease. If the disposition method is by gift, a written description of its public purpose will be attached to the recommendation. If the method of disposition is other than public auction, the recommendation shall set forth all terms, performance standards, restrictive covenants, or any other conditions which must be met by the purchaser.

1. The Board of Supervisors may approve or modify by Resolution, and/or direct public Works to proceed with the disposition of the excess property.
2. A bona fide purchaser will provide a certified check in the amount of purchase, recording fees, and any other agreed upon fees associated with the sale of the property.
3. Transfer of Title shall be by Quit Claim Deed after a Public Hearing by the Board of Supervisors.
4. If the County has possession of an abstract for the property of interest, it will be provided to the purchaser, who will be responsible for having it made current.

C. ACQUIRED OR CONDEMNED PROPERTY FOR HIGHWAYS

If property has been acquired or condemned for highway purposes, and is determined to be excess property:

1. *It may be purchased by the previous owner or an adjacent property owner (Iowa Code 306.23) or*
2. *It will be disposed of using the same procedures as those for Disposition of Tax Deed Parcels.*

ABSTRACTS

The County will not provide abstracts to any purchaser of County owned property acquired by Tax Deed unless one is currently in existence and included in the parcel file.

Adopted 6/29/93
Reviewed and Revised 8/14/01
Adopted September 11, 2001

Reviewed and Revised 9/24/02